

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION FOR AUTHORITY FOR)	
ALLNET COMMUNICATIONS SERVICES,)	CASE NO. 95-002
INC. TO ENTER INTO A CREDIT)	
FACILITY AGREEMENT)	

O R D E R

On January 20, 1995, Allnet Communications Services, Inc. ("Allnet") filed its application for authorization pursuant to KRS 278.300 to enter into a Credit Facility Agreement as fully described in its application. The purposes of the borrowing are to provide working capital and to fund future investments and acquisitions.

The amount of the Credit Facility Agreement is \$100,000,000 and the term is for five years. The Credit Facility Agreement will be managed by First Union Bank of North Carolina and BankOne, Columbus, N.A. These institutions will act as two of the lenders providing an aggregate of \$60,000,000. The remaining portion of the Credit Facility Agreement will come from a syndicate of banks and lending institutions arranged by First Union as part of its responsibilities as the syndication agent. Allnet and the managing agents may agree to increase the Credit Facility Agreement by \$25,000,000 in the event the Credit Facility becomes oversubscribed.

The Commission, having considered the evidence of record and being sufficiently advised, finds that the Credit Facility Agreement is for the lawful objects within the corporate purposes

of Allnet, is necessary and appropriate for and consistent with the proper performance of Allnet's service to the public, and will not impair its ability to perform that service, is reasonably necessary and appropriate for such purposes, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. Allnet be and it hereby is authorized pursuant to KRS 278.300 to assume the obligations of the Credit Facility Agreement described in the application.

2. The proceeds from the transactions authorized herein shall be used only for the lawful purposes as set out in the application.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to securities authorized herein.

Done at Frankfort, Kentucky, this 20th day of March, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Commissioner


Executive Director